

a computer terminal comprising means to input a request for credit information about a borrower;

a network connected to the computer terminal;

a server connected to the computer terminal over the network for receiving the request for credit information;

the server further comprising instructions for requesting the credit information electronically from at least one credit bureau and receiving the credit information over the network;

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the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute; and

the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to the credit bureau based upon the dispute option selected by the borrower.

REMARKS

Claims 1-2, 4-12 and new claims 16-22 remain in the application. Claim 1 was amended to include the limitations of cancelled claim 3. Claim 4 was amended to maintain proper dependency. Claim 5 was amended to include credit correction limitations similar to those in cancelled claim 3. Claim 6 was amended to incorporate the limitations of cancelled claims 13-15. New claims 16-19 and 22 have been added to provide system claims for reviewing credit information and automatically generating a dispute communication comprising similar to that of claim 6, but without the loan origination portion of the system. New claim 20 provides explicit

coverage for plural credit bureaus that was formerly included in claim 5. New claim 21 is similar to claim 5, but without the parsing and configuring steps. No new matter has been added.

Introduction

By means of the present amendments, all of the pending claims in the present application now include some form of the limitations previously included in cancelled claims 3 or 14-15, which were rejected under 35 USC 103.

In the method claims, this includes *the borrower (or broker) deciding to dispute a credit reference; designating electronically those credit references to be disputed; designating electronically the reason for disputing the credit reference; and automatically generating a dispute communication relating to the credit reference.*

In the system claims, this includes *the server further comprising instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters; for permitting the borrower to identify credit references of interest; for allowing the borrower to designate those credit references that the borrower wishes to dispute; presenting to the borrower options for explaining and disputing the inaccurate credit references; and for automatically generating a communication to a credit bureau based upon the dispute option selected by the borrower.*

In view of this, the only rejections addressed herein from the Office Action will be those applied to claims 3 and 13-15.

Claim Rejections - 35 USC 103

Claims 3, 14 and 15 were rejected under 35 USC 103 as being anticipated by Tengle et al. in view of, at a minimum, the *NovaStar Financial* press release.

In the Office Action of June 25, 2002, the third paragraph of the *NovaStar Financial* press release was specifically relied upon to purportedly disclose a method for "credit correction comprising: the borrower deciding to dispute a credit reference; the borrower designating electronically those credit references to be disputed; the borrower designating to the loan application server electronically the reason for disputing the credit reference; and the loan application server automatically generating a dispute communication relating to the credit reference." However, Applicants submit that this is an erroneous characterization of the *NovaStar Financial* press release.

The third paragraph of the *NovaStar Financial* press release states:

"Internet Underwriter provides easy-to-follow steps to enter borrower and property information, request and receive credit information and view rate alternatives available to the borrower. *Users* will also have the ability to *correct any inaccuracies appearing on the credit report and enter prospective adjustments to the borrower's credit profile*. In addition to receiving underwriting approval, *customers* will eventually be able select to and lock the interest rate on the loan as well as order and receive loan closing documents."

The preceding paragraphs identify the Internet Underwriter system as:

"available to NovaStar customers, which includes *retail mortgage brokers, mortgage companies and financial institutions*. It will provide *these customers* with the ability to receive an underwriting decision and approval within minutes.

IU will be available for use across the United States by simply accessing the Company's website. The system will be accessible 24 hours a day, seven days a week with an approved *customer ID* and password."

As stated in the press release, users are *retail mortgage brokers, mortgage companies and financial institutions*. These users have the ability to *correct any inaccuracies appearing on the credit report and enter prospective adjustments to the borrower's credit profile* such that, in this arrangement, the users are acting as the underwriter. Underwriters correct and adjust borrower credit references and profiles - borrowers and their brokers do not, hence the "Internet Underwriter" name for the NovaStar Financial product.

Notably absent from the *NovaStar Financial* press release is any disclosure of a **borrower (or broker) disputing** a credit reference or any **automatic generation of a dispute communication** as required by:

the following limitations in the method claims:

- a **borrower** deciding to dispute a credit reference;
- the **borrower (or broker) designating electronically those credit references to be disputed**;
- the **borrower (or broker) designating electronically the reason for disputing the credit reference**; and
- **automatically generating a dispute communication** relating to the credit reference;

or by the following limitations in the system claims:

- the server further comprises **instructions for permitting the borrower to identify credit references of interest**;
- the server further comprises instructions for allowing **the borrower to designate** those credit references that **the borrower wishes to dispute**; and
- the server further comprises instructions for **presenting to the borrower options for explaining and disputing the inaccurate credit references**, and
- for **automatically generating a communication to the credit bureau** based upon the **dispute option selected by the borrower**.

Since none of the cited prior art, including the *NovaStar Financial* press release, disclose or fairly suggest a means or step for **borrower dispute** of credit references or **automatic generation of a dispute communication** within an automated loan origination or credit review

environment, Applicants respectfully submit that the claims are patentable over the cited prior art.

Conclusion

For the reasons stated above, Applicants submit that claims 1-2, 4-12 and 16-22 are in condition for allowance and requests reconsideration of the application. If there remain any issues that may be disposed of via a telephonic interview, the Examiner is kindly invited to contact the undersigned at the local exchange given below.

Respectfully,



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MARKED-UP VERSION SHOWING CHANGES MADE BY AMENDMENT

In the Claims:

Claims 3 and 13-15 were cancelled.

Claims 1 and 4-6 were amended as follows:

1. (Amended) A method for loan application and credit correction comprising:

assembling and scanning supporting documents from a borrower for a loan to create an electronic copy of the supporting documents;

completing an electronic loan application form on a loan application terminal, the loan application terminal connected to a loan application server;

requesting a credit report via the loan application terminal;

receiving the credit report comprising credit references and parsing the credit references in a user-configurable manner;

creating a loan package comprising the electronic loan form, the credit report, and the electronic copy of the supporting documents; and

submitting the loan package electronically to a plurality of lenders;

further comprising:

the borrower deciding to dispute a credit reference;

the borrower designating electronically those credit references to be disputed;

the borrower designating to the loan application server electronically the reason for disputing the credit reference; and

the loan application server automatically generating a dispute communication relating to the credit reference.

4. (Amended) The method for loan application and credit correction of claim [3] 1 further comprising:

the loan application server [associating] adding any response to the dispute communications [with] to the loan package; and

the server submitting the loan package to a plurality of lenders for review.

5. (Amended) A method for reviewing credit information and automatically generating a dispute communication comprising:

a borrower or broker requesting credit information from [a plurality of credit bureaus] at least one credit bureau;

receiving credit information electronically from the [plurality of credit bureaus] at least one credit bureau;

parsing the credit information into categories in a database;

configuring the credit information in the database according to user definable parameters;

the borrower deciding to dispute a credit reference;

the borrower or broker designating electronically those credit references to be disputed;

the borrower or broker designating electronically the reason for disputing the credit reference; and

automatically generating a dispute communication relating to the credit reference.

6. (Amended) A system for loan application and credit correction comprising:

[A] a loan application terminal comprising a loan application form to be completed by a borrower and further comprising an electronic request form for requesting credit bureau information about the borrower;

[A] a network connected to the loan application terminal;

[A] a loan application server connected to the loan application terminal over the network for receiving the loan application form and the request for credit information;

the server further comprising instructions for requesting the credit information electronically from at least one credit bureau [the plurality of credit bureaus] and receiving the credit information over the network;

the server further comprises instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters;

the server further comprises instructions for permitting the borrower to identify credit references of interest;

the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute;

the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a

communication to an appropriate credit bureau based upon the dispute option selected by the borrower; and

the server further comprising instructions for assembling the loan application form together with the credit information to form a loan package and for submitting the loan package to a plurality of lenders over the network.

Claims 16-20 were added:

16. (New) A system for reviewing credit information and automatically generating a dispute communication comprising:

a computer terminal comprising means to input a request for credit information about a borrower;

a network connected to the computer terminal;

a server connected to the computer terminal over the network for receiving the request for credit information;

the server further comprising instructions for requesting the credit information electronically from at least one credit bureau and receiving the credit information over the network;

the server further comprises instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters;

the server further comprises instructions for permitting the borrower to identify credit references of interest;

the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute; and

the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to the credit bureau based upon the dispute option selected by the borrower.

17. (New) The system of claim 16 wherein the network is selected from the group consisting of the internet, a wireless network, and an intranet.

18. (New) The system of claim 16 wherein the server further comprises instructions for parsing the received credit information into a database and for displaying the parsed credit information according to user-definable parameters.

19. (New) The system of claim 16 wherein the server further comprises instructions for displaying to a borrower a narrative version of the received credit information.

20. (New) The method of claim 5 further comprising the borrower or broker requesting credit information from a plurality of credit bureaus.

21. (New) A method for reviewing credit information and automatically generating a dispute communication comprising:

a borrower or broker requesting credit information from at least one credit bureau;
receiving credit information electronically from the at least one credit bureau;
the borrower deciding to dispute a credit reference;
the borrower or broker designating electronically those credit references to be disputed;
the borrower or broker designating electronically the reason for disputing the credit reference; and

automatically generating a dispute communication relating to the credit reference.

22. (New) A system for reviewing credit information and automatically generating a dispute communication comprising:

a computer terminal comprising means to input a request for credit information about a borrower;

a network connected to the computer terminal;

a server connected to the computer terminal over the network for receiving the request for credit information;

the server further comprising instructions for requesting the credit information electronically from at least one credit bureau and receiving the credit information over the network;

the server further comprises instructions for allowing the borrower to designate those credit references that the borrower wishes to dispute; and

the server further comprises instructions for presenting to the borrower options for explaining and disputing the inaccurate credit references, and for automatically generating a communication to the credit bureau based upon the dispute option selected by the borrower.